

PRELIMINARY DRAFT

TEXAS LEGISLATIVE COUNCIL
Government Code
Chapter 524
10/5/22

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17 CHAPTER 524. AUTHORITY OVER HEALTH AND HUMAN SERVICES SYSTEM

18 SUBCHAPTER A. SYSTEM OVERSIGHT AUTHORITY OF COMMISSION

19 Revised Law

20 Sec. 524.0001. GENERAL RESPONSIBILITY OF COMMISSION FOR
21 HEALTH AND HUMAN SERVICES SYSTEM; PRIORITIZATION OF CERTAIN DUTIES.

22 (a) The commission shall:

23 (1) supervise the administration and operation of
24 Medicaid, including the administration and operation of the
25 Medicaid managed care system in accordance with Section ____
26 [[[Section 531.021]]];

27 (2) perform information resources planning and
28 management for the health and human services system under Section
29 ____ [[[Section 531.0273]]], with:

30 (A) the provision of information technology
31 services for the health and human services system as a centralized
32 administrative support service performed either by commission
33 personnel or under a contract with the commission; and

34 (B) an emphasis on research and implementation on

1 a demonstration or pilot basis of appropriate and efficient uses of
2 new and existing technology to improve the operation of the health
3 and human services system and delivery of health and human
4 services;

5 (3) monitor and ensure the effective use of all
6 federal money received for the health and human services system in
7 accordance with Section ____ [[[Section 531.028]]] and the General
8 Appropriations Act;

9 (4) implement Texas Integrated Enrollment Services as
10 required by ____ [[[Subchapter F, Chapter 531]]], except that
11 notwithstanding ____ [[[Subchapter F, Chapter 531]]], the
12 commission is responsible for determining and must centralize
13 benefits eligibility under the following programs:

14 (A) the child health plan program;

15 (B) the financial assistance program under
16 Chapter 31, Human Resources Code;

17 (C) Medicaid;

18 (D) the supplemental nutrition assistance
19 program under Chapter 33, Human Resources Code;

20 (E) long-term care services as defined by Section
21 22.0011, Human Resources Code;

22 (F) community-based support services identified
23 or provided in accordance with Section ____ [[[Section
24 531.02481]]]; and

25 (G) other health and human services programs, as
26 appropriate; and

27 (5) implement programs intended to prevent family
28 violence and provide services to victims of family violence.

29 (b) The commission shall implement the powers and duties
30 given to the commission under Sections ____ [[[Section 531.0246]]],
31 ____ [[[Section 531.0247]]], 2155.144, and 2167.004.

32 (c) After implementing the commission's duties under
33 Subsections (a) and (b), the commission shall implement the powers
34 and duties given to the commission under Section ____ [[[Section

1 531.0248]]].

2 (d) Nothing in the priorities established by this section is
3 intended to limit the commission's authority to work simultaneously
4 to achieve the multiple tasks assigned to the commission in this
5 section and Section 524.0202(a)(1) when that approach is beneficial
6 in the commission's judgment. (Gov. Code, Secs. 531.0055(b), (c),
7 (d) (part).)

8 Source Law

9 (b) The commission shall:

10 (1) supervise the administration and
11 operation of Medicaid, including the administration
12 and operation of the Medicaid managed care system in
13 accordance with Section 531.021;

14 (2) perform information systems planning
15 and management for the health and human services
16 system under Section 531.0273, with:

17 (A) the provision of information
18 technology services for the health and human services
19 system considered to be a centralized administrative
20 support service either performed by commission
21 personnel or performed under a contract with the
22 commission; and

23 (B) an emphasis on research and
24 implementation on a demonstration or pilot basis of
25 appropriate and efficient uses of new and existing
26 technology to improve the operation of the health and
27 human services system and delivery of health and human
28 services;

29 (3) monitor and ensure the effective use
30 of all federal funds received for the health and human
31 services system in accordance with Section 531.028 and
32 the General Appropriations Act;

33 (4) implement Texas Integrated Enrollment
34 Services as required by Subchapter F, except that
35 notwithstanding Subchapter F, determining eligibility
36 for benefits under the following programs is the
37 responsibility of and must be centralized by the
38 commission:

39 (A) the child health plan program;

40 (B) the financial assistance program
41 under Chapter 31, Human Resources Code;

42 (C) Medicaid;

43 (D) the supplemental nutrition
44 assistance program under Chapter 33, Human Resources
45 Code;

46 (E) long-term care services, as
47 defined by Section 22.0011, Human Resources Code;

48 (F) community-based support services
49 identified or provided in accordance with Section
50 531.02481; and

51 (G) other health and human services
52 programs, as appropriate; and

53 (5) implement programs intended to prevent
54 family violence and provide services to victims of
55 family violence.

56 (c) The commission shall implement the powers
57 and duties given to the commission under Sections
58 531.0246, 531.0247, 2155.144, and 2167.004.

59 (d) After implementation of the commission's

1 duties under Subsections (b) and (c), the commission
2 shall implement the powers and duties given to the
3 commission under Section 531.0248. Nothing in the
4 priorities established by this section is intended to
5 limit the authority of the commission to work
6 simultaneously to achieve the multiple tasks assigned
7 to the commission in this section, when such an
8 approach is beneficial in the judgment of the
9 commission. . . .

10 Revisor's Note

11 (1) Section 531.0055(b)(2), Government Code,
12 requires the Health and Human Services Commission to
13 perform "information systems planning and management"
14 under Section 531.0273, Government Code, which is
15 revised in this title as Section _____. Section
16 531.0273 refers to strategic planning for and the
17 management of information "resources." The revised
18 law substitutes "information resources planning and
19 management" for "information systems planning and
20 management" for consistency of terminology.

21 (2) Section 531.0055(b)(3), Government Code,
22 refers to federal "funds" received for the health and
23 human services system. Throughout this chapter, the
24 revised law substitutes "money" for "funds" because,
25 in context, the meaning is the same and "money" is the
26 more commonly used term.

27 (3) Section 531.0055(d), Government Code,
28 refers to the priorities established by "this section"
29 and the tasks assigned to the Health and Human Services
30 Commission in "this section," both meaning Section
31 531.0055. Although the provisions of Section 531.0055
32 are revised in various sections of this chapter and in
33 Section _____ [[[Sections 531.0055(j) and (m)]]], the
34 provisions revised as Section 524.0001 of this chapter
35 retain the reference to "this section" in the context
36 of the prioritization of the commission's duties
37 because all the relevant provisions of Section
38 531.0055 relating to that prioritization are revised

1 in Section 524.0001. With respect to the tasks
2 assigned to the commission, the revised law
3 substitutes "this section and Section 524.0202(a)(1)"
4 of the revised law because those are the only
5 provisions derived from Section 531.0055 that assign
6 tasks to the commission, rather than the executive
7 commissioner of the commission.

8 Revised Law

9 Sec. 524.0002. GENERAL RESPONSIBILITY OF EXECUTIVE
10 COMMISSIONER FOR HEALTH AND HUMAN SERVICES SYSTEM. (a) The
11 executive commissioner, as necessary to perform the functions
12 described by Section 524.0001 and Subchapter E in implementing
13 applicable policies the executive commissioner establishes for a
14 health and human services agency or division, shall:

15 (1) manage and direct the operations of each agency or
16 division, as applicable;

17 (2) supervise and direct the activities of each agency
18 commissioner or division director, as applicable; and

19 (3) be responsible for the administrative supervision
20 of the internal audit program for the agencies, including:

21 (A) selecting the director of internal audit;

22 (B) ensuring the director of internal audit
23 reports directly to the executive commissioner; and

24 (C) ensuring the independence of the internal
25 audit function.

26 (b) The executive commissioner's operational authority and
27 responsibility for purposes of Subsection (a) and Section
28 524.0151(a)(2) for each health and human services agency or
29 division, as applicable, includes authority over and
30 responsibility for:

31 (1) daily operations management of the agency or
32 division, including the organization, management, and operating
33 procedures of the agency or division;

34 (2) resource allocation within the agency or division,

1 including the use of federal money the agency or division receives;
2 (3) personnel and employment policies;
3 (4) contracting, purchasing, and related policies,
4 subject to this chapter and other laws relating to contracting and
5 purchasing by a state agency;
6 (5) information resources systems the agency or
7 division uses;
8 (6) facility location; and
9 (7) the coordination of agency or division activities
10 with activities of other components of the health and human
11 services system and state agencies. (Gov. Code, Secs. 531.0055(a)
12 (part), (e) (part), (f).)

13 Source Law

14 Sec. 531.0055. EXECUTIVE COMMISSIONER: GENERAL
15 RESPONSIBILITY FOR HEALTH AND HUMAN SERVICES SYSTEM.
16 (a) In this section and . . . "agency director" means
17 the commissioner of a health and human services
18 agency.

19 (e) . . . In addition, the executive
20 commissioner, as necessary to perform the functions
21 described by Subsections (b), (c), and (d) and Section
22 531.00553 in implementation of applicable policies
23 established for a health and human services system
24 agency or division, as applicable, by the executive
25 commissioner, shall:

26 (1) manage and direct the operations of
27 each agency or division, as applicable;

28 (2) supervise and direct the activities of
29 each agency or division director, as applicable; and

30 (3) be responsible for the administrative
31 supervision of the internal audit program for the
32 health and human services system agencies, including:

33 (A) selecting the director of
34 internal audit;

35 (B) ensuring that the director of
36 internal audit reports directly to the executive
37 commissioner; and

38 (C) ensuring the independence of the
39 internal audit function.

40 (f) The operational authority and
41 responsibility of the executive commissioner for
42 purposes of Subsection (e) for each health and human
43 services system agency or division, as applicable,
44 includes authority over and responsibility for the:

45 (1) management of the daily operations of
46 the agency or division, including the organization and
47 management of the agency or division and its operating
48 procedures;

49 (2) allocation of resources within the
50 agency or division, including use of federal funds
51 received by the agency or division;

52 (3) personnel and employment policies;

53 (4) contracting, purchasing, and related

1 policies, subject to this chapter and other laws
2 relating to contracting and purchasing by a state
3 agency;

4 (5) information resources systems used by
5 the agency or division;

6 (6) location of facilities; and

7 (7) coordination of agency or division
8 activities with activities of other components of the
9 health and human services system and state agencies.

10 Revisor's Note

11 Section 531.0055(f)(4), Government Code, refers
12 to contracting, purchasing, and related policies,
13 subject to "this chapter," meaning Chapter 531,
14 Government Code, and "other laws" related to
15 contracting and purchasing by a state agency. Chapter
16 531 is revised throughout Subtitle I, Title 4,
17 Government Code, including in this chapter. The
18 revised law retains the reference to "this chapter and
19 other laws" because the provisions of Chapter 531 that
20 are not revised in this chapter are included within the
21 meaning of "other laws."

22 Revised Law

23 Sec. 524.0003. ADOPTION OR APPROVAL OF PAYMENT RATES.
24 Notwithstanding any other law, the executive commissioner's
25 operational authority and responsibility for purposes of Sections
26 524.0002(a) and 524.0151(a)(2) for each health and human services
27 agency or division, as applicable, include the authority and
28 responsibility to adopt or approve, subject to applicable
29 limitations, any payment rate or similar provision a health and
30 human services agency is required by law to adopt or approve. (Gov.
31 Code, Sec. 531.0055(g).)

32 Source Law

33 (g) Notwithstanding any other law, the
34 operational authority and responsibility of the
35 executive commissioner for purposes of Subsection (e)
36 for each health and human services system agency or
37 division, as applicable, includes the authority and
38 responsibility to adopt or approve, subject to
39 applicable limitations, any rate of payment or similar
40 provision required by law to be adopted or approved by
41 a health and human services system agency.

1 Revised Law

2 Sec. 524.0004. PROGRAM TO EVALUATE AND SUPERVISE DAILY
3 OPERATIONS. (a) For each health and human services agency and
4 division, as applicable, the executive commissioner shall
5 implement a program to evaluate and supervise daily operations.

6 (b) The program must include:

7 (1) measurable performance objectives for each agency
8 commissioner or division director; and

9 (2) adequate reporting requirements to permit the
10 executive commissioner to perform the duties assigned to the
11 executive commissioner under:

12 (A) this subchapter;

13 (B) Sections 524.0101(a), 524.0151(a)(2) and
14 (b), and ____ [[[Section 531.0055(m)]]]; and

15 (C) Section 524.0202 with respect to the health
16 and human services system. (Gov. Code, Secs. 531.0055(a) (part),
17 (h).)

18 Source Law

19 Sec. 531.0055. EXECUTIVE COMMISSIONER: GENERAL
20 RESPONSIBILITY FOR HEALTH AND HUMAN SERVICES SYSTEM.
21 (a) In this section and . . . "agency director" means
22 the commissioner of a health and human services
23 agency.

24 (h) For each health and human services system
25 agency and division, as applicable, the executive
26 commissioner shall implement a program to evaluate and
27 supervise daily operations. The program must include
28 measurable performance objectives for each agency or
29 division director and adequate reporting requirements
30 to permit the executive commissioner to perform the
31 duties assigned to the executive commissioner under
32 this section.

33 Revised Law

34 Sec. 524.0005. RULES. The executive commissioner shall
35 adopt rules to implement the executive commissioner's authority
36 under this subchapter with respect to the health and human services
37 system. (Gov. Code, Sec. 531.0055(j).)

38 Source Law

39 (j) The executive commissioner shall adopt
40 rules to implement the executive commissioner's
41 authority under this section.

1 Revisor's Note

2 Section 531.0055(j), Government Code, requires
3 the executive commissioner of the Health and Human
4 Services Commission to adopt rules to implement the
5 executive commissioner's authority under "this
6 section," meaning Section 531.0055, Government Code.
7 The substantive provisions of Section 531.0055 are
8 revised as Subchapter A and Sections 524.0101(a),
9 524.0151(a)(2) and (b), and 524.0202 of this chapter,
10 and Section ____ [[[Section 531.0055(m)]]] in this
11 subtitle. The revised law, however, substitutes a
12 reference to only "this subchapter," meaning
13 Subchapter A of this chapter, for the reference to
14 "this section" for the reasons that follow.

15 With respect to Section 524.0101(a) of this
16 chapter, Section 531.0163, Government Code, revised as
17 Section 524.0102 of this chapter, expressly requires
18 the executive commissioner to adopt by rule the
19 memorandum of understanding at issue in Section
20 524.0101(a), making the duty to adopt rules contained
21 in Section 531.0055(j), Government Code, redundant and
22 unnecessary as to Section 524.0101(a). Referencing
23 the law revised as Sections 524.0151(a)(2) and (b) of
24 this chapter is also unnecessary in this section's
25 requirement to adopt rules because those sections
26 provide for the adoption of rules.

27 The revision of Section 531.0055(j), Government
28 Code, in this section does not include a reference to
29 Section 524.0202 of this chapter or Section ____
30 [[[Section 531.0055(m)]]] in this subtitle because the
31 substance of Section 531.0055(j) is also revised with
32 those provisions.

1 SUBCHAPTER B. COMMISSIONERS OF HEALTH AND HUMAN SERVICES AGENCIES

2 Revised Law

3 Sec. 524.0051. APPOINTMENT OF AGENCY COMMISSIONER BY
4 EXECUTIVE COMMISSIONER. (a) The executive commissioner, with the
5 governor's approval, shall appoint a commissioner for each health
6 and human services agency.

7 (b) A health and human services agency commissioner serves
8 at the executive commissioner's pleasure. (Gov. Code, Secs.
9 531.0055(a) (part), 531.0056(a), (b).)

10 Source Law

11 Sec. 531.0055. EXECUTIVE COMMISSIONER: GENERAL
12 RESPONSIBILITY FOR HEALTH AND HUMAN SERVICES SYSTEM.
13 (a) . . . in Section 531.0056, "agency director"
14 means the commissioner of a health and human services
15 agency.

16 Sec. 531.0056. APPOINTMENT OF AGENCY DIRECTOR
17 BY EXECUTIVE COMMISSIONER. (a) The executive
18 commissioner shall appoint an agency director for each
19 health and human services agency with the approval of
20 the governor.

21 (b) An agency director appointed by the
22 executive commissioner serves at the pleasure of the
23 executive commissioner.

24 Revised Law

25 Sec. 524.0052. EVALUATION OF AGENCY COMMISSIONER. Based on
26 the performance objectives outlined in the memorandum of
27 understanding entered into under Section 524.0101(a), the
28 executive commissioner shall perform an employment evaluation of
29 each health and human services agency commissioner. The executive
30 commissioner shall submit the evaluation to the governor not later
31 than January 1 of each even-numbered year. (Gov. Code, Secs.
32 531.0055(a) (part), 531.0056(c) (part), (e), (f).)

33 Source Law

34 Sec. 531.0055. EXECUTIVE COMMISSIONER: GENERAL
35 RESPONSIBILITY FOR HEALTH AND HUMAN SERVICES SYSTEM.
36 (a) . . . in Section 531.0056, "agency director"
37 means the commissioner of a health and human services
38 agency.

39 [Sec. 531.0056]

40 (c) In addition to the requirements of Section
41 531.0055(k)(1), the memorandum of understanding
42 required by that section

43 (e) Based upon the performance objectives

1 outlined in the memorandum of understanding, the
2 executive commissioner shall perform an employment
3 evaluation of the agency director.

4 (f) The executive commissioner shall submit the
5 evaluation to the governor not later than January 1 of
6 each even-numbered year.

7 Revisor's Note
8 (End of Subchapter)

9 Section 531.0056(g), Government Code, provides
10 that Section 531.0056, Government Code, applies to a
11 state agency listed in Section 531.001(4), Government
12 Code, only until the agency is abolished under Section
13 531.0202, Government Code. As of September 1, 2017,
14 each agency identified for abolishment had been
15 abolished. Therefore, the revised law omits this
16 provision as executed. The omitted law reads:

17 (g) The requirements of this section
18 apply with respect to a state agency listed
19 in Section 531.001(4) only until the agency
20 is abolished under Section 531.0202.

21 SUBCHAPTER C. MEMORANDUM OF UNDERSTANDING FOR OPERATION OF SYSTEM

22 Revised Law

23 Sec. 524.0101. MEMORANDUM OF UNDERSTANDING BETWEEN
24 EXECUTIVE COMMISSIONER AND HEALTH AND HUMAN SERVICES AGENCY
25 COMMISSIONER. (a) The executive commissioner and each health and
26 human services agency commissioner shall enter into a memorandum of
27 understanding in the manner prescribed by Section 524.0102 that:

28 (1) clearly defines the responsibilities of the
29 executive commissioner and the commissioner, including:

30 (A) the responsibility of the commissioner to:

31 (i) report to the governor; and

32 (ii) report to and implement policies of
33 the executive commissioner; and

34 (B) the extent to which the commissioner acts as
35 a liaison between the health and human services agency the
36 commissioner serves and the commission;

37 (2) establishes the program to evaluate and supervise
38 daily operations required by Section 524.0004;

39 (3) describes each power or duty delegated to a

1 commissioner; and

2 (4) ensures the commission and each health and human
3 services agency has access to databases or other information each
4 other agency maintains or keeps that is necessary for the operation
5 of a function the commission or the health and human services agency
6 performs, to the extent not prohibited by other law.

7 (b) The memorandum of understanding must also outline
8 specific performance objectives, as the executive commissioner
9 defines, to be fulfilled by the health and human services agency
10 commissioner with whom the executive commissioner enters into the
11 memorandum of understanding, including the performance objectives
12 required by Section 524.0004. (Gov. Code, Secs. 531.0055(a)
13 (part), (k), 531.0056(c), (d).)

14 Source Law

15 Sec. 531.0055. EXECUTIVE COMMISSIONER: GENERAL
16 RESPONSIBILITY FOR HEALTH AND HUMAN SERVICES SYSTEM.
17 (a) In this section and . . . "agency director" means
18 the commissioner of a health and human services
19 agency.

20 (k) The executive commissioner and each agency
21 director shall enter into a memorandum of
22 understanding in the manner prescribed by Section
23 531.0163 that:

24 (1) clearly defines the responsibilities
25 of the agency director and the executive commissioner,
26 including:

27 (A) the responsibility of the agency
28 director to report to the governor and to report to and
29 implement policies of the executive commissioner; and

30 (B) the extent to which the agency
31 director acts as a liaison between the agency and the
32 commission;

33 (2) establishes the program of evaluation
34 and supervision of daily operations required by
35 Subsection (h);

36 (3) describes each delegation of a power
37 or duty made to an agency director; and

38 (4) ensures that the commission and each
39 health and human services agency has access to
40 databases or other information maintained or kept by
41 each other agency that is necessary for the operation
42 of a function performed by the commission or the health
43 and human services agency, to the extent not
44 prohibited by other law.

45 [Sec. 531.0056]

46 (c) In addition to the requirements of Section
47 531.0055(k)(1), the memorandum of understanding
48 required by that section must clearly define the
49 responsibilities of the agency director.

50 (d) The terms of the memorandum of understanding
51 shall outline specific performance objectives, as

1 defined by the executive commissioner, to be fulfilled
2 by the agency director, including the performance
3 objectives outlined in Section 531.0055(h).

4 Revised Law

5 Sec. 524.0102. ADOPTION AND AMENDMENT OF MEMORANDUM OF
6 UNDERSTANDING. (a) The executive commissioner by rule shall adopt
7 the memorandum of understanding under Section 524.0101 in
8 accordance with the procedures prescribed by Subchapter B, Chapter
9 2001, for adopting rules, except that the requirements of Sections
10 2001.033(a)(1)(A) and (C) do not apply with respect to any part of
11 the memorandum of understanding that:

12 (1) concerns only internal management or organization
13 within or among health and human services agencies and does not
14 affect private rights or procedures; or

15 (2) relates solely to the internal personnel practices
16 of health and human services agencies.

17 (b) The memorandum of understanding may be amended only by
18 following the procedures prescribed by Subsection (a). (Gov. Code,
19 Sec. 531.0163.)

20 Source Law

21 Sec. 531.0163. MEMORANDUM OF UNDERSTANDING.
22 (a) The memorandum of understanding under Section
23 531.0055(k) must be adopted by the executive
24 commissioner by rule in accordance with the procedures
25 prescribed by Subchapter B, Chapter 2001, for adopting
26 rules, except that the requirements of Section
27 2001.033(a)(1)(A) or (C) do not apply with respect to
28 any part of the memorandum of understanding that:

29 (1) concerns only internal management or
30 organization within or among health and human services
31 agencies and does not affect private rights or
32 procedures; or

33 (2) relates solely to the internal
34 personnel practices of health and human services
35 agencies.

36 (b) The memorandum of understanding may be
37 amended only by following the procedures prescribed
38 under Subsection (a).

39 SUBCHAPTER D. RULES AND POLICIES FOR HEALTH AND HUMAN SERVICES

40 Revised Law

41 Sec. 524.0151. AUTHORITY TO ADOPT RULES AND POLICIES. (a)
42 The executive commissioner shall:

43 (1) adopt rules necessary to carry out the
44 commission's duties under Chapter 531 and revised provisions

1 derived from Chapter 531, as that chapter existed on March 31, 2025;
2 and

3 (2) notwithstanding any other law, adopt rules and
4 policies for the operation of the health and human services system
5 and the provision of health and human services by that system.

6 (b) Notwithstanding any other law, the executive
7 commissioner has the authority to adopt rules and policies
8 governing:

9 (1) the delivery of services to persons the health and
10 human services system serves; and

11 (2) the rights and duties of persons the system serves
12 or regulates. (Gov. Code, Secs. 531.0055(e) (part), (1), 531.033.)

13 Source Law

14 [Sec. 531.0055]

15 (e) Notwithstanding any other law, the
16 executive commissioner shall adopt rules and policies
17 for the operation of and provision of health and human
18 services by the health and human services system.
19 . . .

20 (1) Notwithstanding any other law, the
21 executive commissioner has the authority to adopt
22 policies and rules governing the delivery of services
23 to persons who are served by the health and human
24 services system and the rights and duties of persons
25 who are served or regulated by the system.

26 Sec. 531.033. RULES. The executive
27 commissioner shall adopt rules necessary to carry out
28 the commission's duties under this chapter.

29 Revised Law

30 Sec. 524.0152. PROCEDURES FOR ADOPTING RULES AND POLICIES.

31 (a) The executive commissioner shall develop procedures for
32 adopting rules for the health and human services agencies. The
33 procedures must specify the manner in which the agencies may
34 participate in the rulemaking process.

35 (b) A health and human services agency shall assist the
36 executive commissioner in developing policies and guidelines
37 needed for the administration of the agency's functions and shall
38 submit any proposed policies and guidelines to the executive
39 commissioner. The agency may implement a proposed policy or
40 guideline only if the executive commissioner approves the policy or

1 guideline. (Gov. Code, Sec. 531.00551.)

2 Source Law

3 Sec. 531.00551. PROCEDURES FOR ADOPTING RULES
4 AND POLICIES. (a) The executive commissioner shall
5 develop procedures for adopting rules for the health
6 and human services agencies. The procedures must
7 specify the manner in which the health and human
8 services agencies may participate in the rulemaking
9 process.

10 (b) A health and human services agency shall
11 assist the executive commissioner in the development
12 of policies and guidelines needed for the
13 administration of the agency's functions and shall
14 submit any proposed policies and guidelines to the
15 executive commissioner. The agency may implement a
16 proposed policy or guideline only if the executive
17 commissioner approves the policy or guideline.

18 Revised Law

19 Sec. 524.0153. POLICY FOR NEGOTIATED RULEMAKING AND
20 ALTERNATIVE DISPUTE RESOLUTION PROCEDURES. (a) The commission
21 shall develop and implement a policy for the commission and each
22 health and human services agency to encourage the use of:

23 (1) negotiated rulemaking procedures under Chapter
24 2008 for the adoption of rules for the commission and each agency;
25 and

26 (2) appropriate alternative dispute resolution
27 procedures under Chapter 2009 to assist in the resolution of
28 internal and external disputes under the commission's or agency's
29 jurisdiction.

30 (b) The procedures relating to alternative dispute
31 resolution must conform, to the extent possible, to any model
32 guidelines the State Office of Administrative Hearings issues for
33 the use of alternative dispute resolution by state agencies.

34 (c) The commission shall:

35 (1) coordinate the implementation of the policy
36 developed under Subsection (a);

37 (2) provide training as needed to implement the
38 procedures for negotiated rulemaking or alternative dispute
39 resolution; and

40 (3) collect data concerning the effectiveness of those
41 procedures. (Gov. Code, Sec. 531.0161.)

1 Source Law

2 Sec. 531.0161. NEGOTIATED RULEMAKING AND
3 ALTERNATIVE DISPUTE PROCEDURES. (a) The commission
4 shall develop and implement a policy, for the
5 commission and each health and human services agency,
6 to encourage the use of:

7 (1) negotiated rulemaking procedures
8 under Chapter 2008 for the adoption of rules for the
9 commission and each agency; and

10 (2) appropriate alternative dispute
11 resolution procedures under Chapter 2009 to assist in
12 the resolution of internal and external disputes under
13 the commission's or agency's jurisdiction.

14 (b) The procedures relating to alternative
15 dispute resolution must conform, to the extent
16 possible, to any model guidelines issued by the State
17 Office of Administrative Hearings for the use of
18 alternative dispute resolution by state agencies.

19 (c) The commission shall:

20 (1) coordinate the implementation of the
21 policy developed under Subsection (a);

22 (2) provide training as needed to
23 implement the procedures for negotiated rulemaking or
24 alternative dispute resolution; and

25 (3) collect data concerning the
26 effectiveness of those procedures.

27 Revised Law

28 Sec. 524.0154. PERSON FIRST RESPECTFUL LANGUAGE PROMOTION.

29 The executive commissioner shall ensure that the commission and
30 each health and human services agency use the terms and phrases
31 listed as preferred under the person first respectful language
32 initiative in Chapter 392 when proposing, adopting, or amending the
33 commission's or agency's rules, reference materials, publications,
34 or electronic media. (Gov. Code, Sec. 531.0227.)

35 Source Law

36 Sec. 531.0227. PERSON FIRST RESPECTFUL LANGUAGE
37 PROMOTION. The executive commissioner shall ensure
38 that the commission and each health and human services
39 agency use the terms and phrases listed as preferred
40 under the person first respectful language initiative
41 in Chapter 392 when proposing, adopting, or amending
42 the commission's or agency's rules, reference
43 materials, publications, and electronic media.

44 SUBCHAPTER E. ADMINISTRATIVE SUPPORT SERVICES

45 Revised Law

46 Sec. 524.0201. DEFINITION. In this subchapter,
47 "administrative support services" includes strategic planning and
48 evaluation, audit, legal, human resources, information resources,
49 purchasing, contracting, financial management, and accounting

1 services. (Gov. Code, Sec. 531.00553(a).)

2 Source Law

3 Sec. 531.00553. ADMINISTRATIVE SUPPORT
4 SERVICES. (a) In this section, the term
5 "administrative support services" includes strategic
6 planning and evaluation, audit, legal, human
7 resources, information resources, purchasing,
8 contracting, financial management, and accounting
9 services.

10 Revised Law

11 Sec. 524.0202. CENTRALIZED SYSTEM OF ADMINISTRATIVE
12 SUPPORT SERVICES. (a) Subject to Section 524.0203(a), the
13 executive commissioner shall plan and implement an efficient and
14 effective centralized system of administrative support services
15 for:

- 16 (1) the health and human services system; and
- 17 (2) the Department of Family and Protective Services.

18 (b) The commission is responsible for the performance of
19 administrative support services for the health and human services
20 system. The executive commissioner shall adopt rules to implement
21 the executive commissioner's authority under this section with
22 respect to that system. (Gov. Code, Secs. 531.0055(d) (part), (j),
23 531.00553(b).)

24 Source Law

25 [Sec. 531.0055]
26 (d) . . . The commission shall plan and
27 implement an efficient and effective centralized
28 system of administrative support services for the
29 health and human services system in accordance with
30 Section 531.00553.

31 (j) The executive commissioner shall adopt
32 rules to implement the executive commissioner's
33 authority under this section.

34 [Sec. 531.00553]
35 (b) Subject to Subsection (c), the executive
36 commissioner shall plan and implement an efficient and
37 effective centralized system of administrative
38 support services for the health and human services
39 system and the Department of Family and Protective
40 Services, as applicable. The performance of
41 administrative support services for the health and
42 human services system is the responsibility of the
43 commission.

44 Revised Law

45 Sec. 524.0203. PRINCIPLES FOR AND REQUIREMENTS OF

1 CENTRALIZED SYSTEM; MEMORANDUM OF UNDERSTANDING. (a) The
2 executive commissioner shall plan and implement the centralized
3 system of administrative support services in accordance with the
4 following principles and requirements:

5 (1) the executive commissioner shall consult with the
6 commissioner of each agency and the director of each division
7 within the health and human services system to ensure the
8 commission is responsive to and addresses agency or division needs;

9 (2) consolidation of staff providing the support
10 services must be done in a manner that ensures each agency or
11 division within the health and human services system that loses
12 staff as a result of the centralization of support services has
13 adequate resources to carry out functions of the agency or
14 division, as appropriate; and

15 (3) the commission and each agency or division within
16 the health and human services system shall, as appropriate, enter
17 into a memorandum of understanding or other written agreement to
18 ensure accountability for the provision of support services by
19 clearly detailing:

20 (A) the responsibilities of each agency or
21 division and the commission;

22 (B) the points of contact for each agency or
23 division and the commission;

24 (C) the transfer of personnel among each agency
25 or division and the commission;

26 (D) the agreement's budgetary effect on each
27 agency or division and the commission; and

28 (E) any other item the executive commissioner
29 determines is critical for maintaining accountability.

30 (b) A memorandum of understanding or other written
31 agreement entered into under Subsection (a)(3) may be combined with
32 the memorandum of understanding required under Section
33 524.0101(a), if appropriate. (Gov. Code, Secs. 531.00553(c),
34 (d).)

1 Source Law

2 (c) The executive commissioner shall plan and
3 implement the centralized system of administrative
4 support services in accordance with the following
5 principles and requirements:

6 (1) the executive commissioner shall
7 consult with the commissioner of each agency and with
8 the director of each division within the health and
9 human services system to ensure the commission is
10 responsive to and addresses agency or division needs;

11 (2) consolidation of staff providing the
12 support services must be done in a manner that ensures
13 each agency or division within the health and human
14 services system that loses staff as a result of the
15 centralization of support services has adequate
16 resources to carry out functions of the agency or
17 division, as appropriate; and

18 (3) the commission and each agency or
19 division within the health and human services system
20 shall, as appropriate, enter into a memorandum of
21 understanding or other written agreement for the
22 purpose of ensuring accountability for the provision
23 of administrative services by clearly detailing:

24 (A) the responsibilities of each
25 agency or division and the commission;

26 (B) the points of contact for each
27 agency or division and the commission;

28 (C) the transfer of personnel among
29 each agency or division and the commission;

30 (D) the budgetary effect the
31 agreement has on each agency or division and the
32 commission; and

33 (E) any other item determined by the
34 executive commissioner to be critical for maintaining
35 accountability.

36 (d) The memorandum of understanding or other
37 agreement required under Subsection (c), if
38 appropriate, may be combined with the memorandum of
39 understanding required under Section 531.0055(k).

40 SUBCHAPTER F. LEGISLATIVE OVERSIGHT

41 Revised Law

42 Sec. 524.0251. OVERSIGHT BY LEGISLATIVE COMMITTEES. The
43 standing or other committees of the house of representatives and
44 the senate that have jurisdiction over the commission and other
45 agencies relating to implementation of Chapter 531 and revised
46 provisions derived from Chapter 531, as that chapter existed on
47 March 31, 2025, as identified by the speaker of the house of
48 representatives and the lieutenant governor, shall:

49 (1) to ensure implementation consistent with law,
50 monitor the commission's:

51 (A) implementation of Subchapter A, Sections
52 524.0101(a), 524.0151(a)(2) and (b), and ____ [[[Section

1 531.0055(m)]], and Section 524.0202 with respect to the health and
2 human services system; and

3 (B) other duties in consolidating and
4 integrating health and human services;

5 (2) recommend any needed adjustments to the
6 implementation of the provisions listed in Subdivision (1)(A) and
7 the commission's other duties in consolidating and integrating
8 health and human services; and

9 (3) review the commission's rulemaking process,
10 including the commission's plan for obtaining public input.
11 (Gov. Code, Sec. 531.171(a).)

12 Source Law

13 Sec. 531.171. COMMITTEE DUTIES. (a) The
14 standing or other committees of the house of
15 representatives and the senate that have jurisdiction
16 over the commission and other agencies relating to
17 implementation of this chapter, as identified by the
18 speaker of the house of representatives and the
19 lieutenant governor, shall:

20 (1) monitor the commission's
21 implementation of Section 531.0055 and the
22 commission's other duties in consolidating and
23 integrating health and human services to ensure
24 implementation consistent with law;

25 (2) recommend, as needed, adjustments to
26 the implementation of Section 531.0055 and the
27 commission's other duties in consolidating and
28 integrating health and human services; and

29 (3) review the rulemaking process used by
30 the commission, including the commission's plan for
31 obtaining public input.

32 Revised Law

33 Sec. 524.0252. INFORMATION PROVIDED TO LEGISLATIVE
34 COMMITTEES. The commission shall provide the committees described
35 by Section 524.0251 with copies of all required reports and
36 proposed rules. Copies of the proposed rules must be provided to
37 the committees before the rules are published in the Texas
38 Register. At the request of a committee or the executive
39 commissioner, a health and human services agency shall:

40 (1) provide other information to the committee,
41 including information relating to the health and human services
42 system; and

43 (2) report on agency progress in implementing

1 statutory directives the committee identifies and the commission's
2 directives. (Gov. Code, Sec. 531.171(b).)

3 Source Law

4 (b) The commission shall provide copies of all
5 required reports to the committees and shall provide
6 the committees with copies of proposed rules before
7 the rules are published in the Texas Register. At the
8 request of a committee or the executive commissioner,
9 a health and human services agency shall provide other
10 information to the committee, including information
11 relating to the health and human services system, and
12 shall report on agency progress in implementing
13 statutory directives identified by the committee and
14 the directives of the commission.